**ASX ANNOUNCEMENT**
31st October 2022

# Lithium Targets Confirmed at Yule South

## *Drilling Reveals Interpreted Signature of Lithium Pegmatite System*

## Highlights

- Highly anomalous **caesium** - a lithium pathfinder element - intersected during RC drilling, including 6m @ 440ppm
- Li-Cs-Rb footprint expanded with associated arsenic signature
  - analogous to that of major regional and global lithium deposits
- Yule Target 2A renamed Nomad, reflecting an upgrade in exploration priority due to increased confidence in LCT lithium pegmatite hallmark indicators

Lithium, gold and base metals exploration company Golden State Mining Limited (ASX code: "GSM" or the "Company") is pleased to provide the final results of its reverse circulation ('RC') drilling over the Nomad prospect at the Yule South project in the Pilbara region of Western Australia.

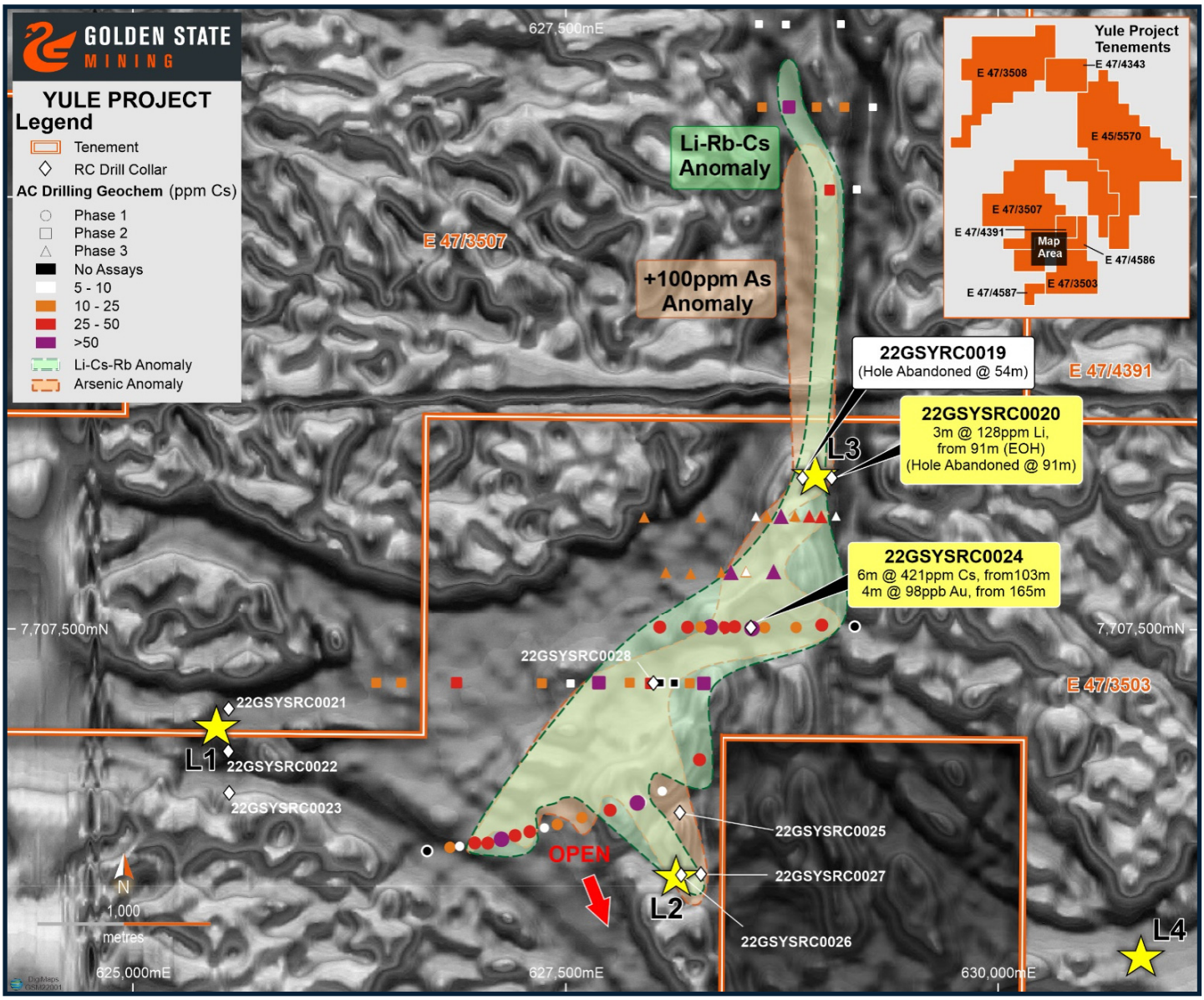


*Figure 1:* Nomad Prospect RC collar plan with Caesium Results.

**Golden State's Managing Director, Michael Moore, commented:** "The recent results from the RC drilling have been subject to a significant level of scrutiny by the company's own technical team in co-operation with our external consultants. The renaming of the Nomad prospect reflects a marked upgrade in priority, which has narrowed Golden State's focus in on the interpreted hallmark of a pegmatite source in this prospect area. Each drill program carried out at Yule delivers increasing encouragement and understanding of a vast and exciting project with battery metal and gold potential within a world-class jurisdiction."

# Yule (100% GSM)

## Nomad Prospect Lithium and Gold RC drilling program

GSM recently completed and announced preliminary results for one of three conceptual target areas (refer to ASX announcement dated 18 August 2022) drilled during its lithium-gold focused RC drilling program at the Nomad prospect (formerly Target 2A) at its Yule South project. Two additional RC holes (Figure 1) were also drilled to follow up previous gold intercepts (refer to ASX announcement dated 7 September 2020 & 18 October 2021) and downhole geochemical trends. This first pass RC drilling program consisted of 10 holes (Figure 1) for a total advance of 1,478 metres. A table of significant results determined by statistical analysis and measured against average crustal abundances is provided in Appendix 1.

The program has delivered robust lithium ("Li"), caesium ("Cs"), and rubidium ("Rb") anomalies with high levels of associated arsenic. The arsenic assay values show a distinct spatial association with anomalous caesium values in drill samples from the northern part of the arsenic anomaly (Figure 1). The occurrence of arsenic as an accessory mineral has been documented at major lithium pegmatite deposits, i.e., the giant Greenbushes pegmatite (Partington et al., 1995) and at the Goulamina deposit, Mali (Wilde et al., 2021). At Greenbushes, arsenic also forms a ~4 x 1 km scale anomaly in lateritic duricrust as an anomaly in overlying regolith (Smith et al., 1987). At Nomad, bedrock caesium values accompanying arsenic show a strong SW-NE trend with a strong spatial association with the interpreted mafic basement units. This is interpreted as a lithological control on caesium distribution rather than just structure alone.

The bedrock and structural interpretation (Figure 2) has indicated the presence of preferred mafic host lithologies and a major antiform which is crosscut by faulting and a refolded hinge zone. Given that a number of major LCT pegmatites occur within, or close to, the core of major regionally mapped fold hinges, e.g., Wodgina, Mt. Cattlin and Tanco (Canada), the Nomad prospect is of considerable interest as a location for hosting significant pegmatite mineralization.

Based on the evidence above, GSM believes the Nomad prospect now has increased prospectivity as a bona fide LCT pegmatite target.

**Results**

The significant assay results for the program are detailed below. Drillholes were routinely assayed for gold over various composite intervals over the entirety of the hole. Selected intervals and the end of hole were submitted for multi-element and rare earth analysis. Samples intervals above and below significant intersections will now be re-assayed for a multi-element suite.

**Hole 22GSYSRC0024** was designed as a follow up hole to test anomalous gold intersected in the first phase of air-core drilling (refer to ASX announcement dated 7 September 2020). The hole successfully intersected a similar interval of anomalous gold with 4 metres @ 98ppb Au from 165 metres in an interpreted mafic porphyritic unit. This hole also intersected significant intervals of highly anomalous caesium, lithium and arsenic. The best interval was 6 metres @ 440ppm Cs & 88ppm Li along with 5290ppm As from 103 metres in a structure consisting of ferruginous saprock interpreted to represent oxidised micaceous fault gouge. These levels of caesium are considered highly anomalous and encouraging.

Caesium is less mobile than other rare alkali elements in dispersion haloes and therefore is considered to be a proximal vector to a potential LCT pegmatite source. With reference to Appendix 1, caesium is a very rare element in the crust (single ppm levels). It is normally only concentrated to elevated levels in LCT granitic pegmatites. The highly caesium enriched interval from 22GSYSRC0024 will be further investigated mineralogically, to identify the caesium and arsenic mineral hosts. The identification of caesium-bearing primary mica minerals would give further indication to the presence of an LCT pegmatite body.

**Hole GSYSRC0028** was designed to test an interpreted geochemical trend identified from previous air-core drilling with anomalous caesium intersections. This hole intersected 8 metres @ 95ppm Cs from 120 metres and 2 metres @ 148ppm Cs from 160 metres at the end of hole, both intersections were associated with elevated lithium and high arsenic.

**Conceptual Target L1**

Three 240 metre spaced holes were drilled in this target area for a total advance of 480 metres. Field logging recorded mainly granitic lithologies with some minor mafic xenolithic units. These results are not considered significant at this stage.

### Conceptual Target L2

Three holes were drilled at this target area for a total advance of 510 metres. Hole 22GSYSRC0025 recorded an encouraging 13-metre interval of anomalous lithium and arsenic hosted in a sheared mafic unit between 93-106 metres. This hole also ended in anomalous lithium with 4 metres @ 137ppm Li from 158 metres in a mafic unit. Hole 22GSYSRC0026 recorded 4 metres @ 154ppm Li, 95ppm Cs & 1180ppm As from 155 metres in a mafic unit and 3 metres @ 102ppm Cs and elevated Li and As at the end of hole in an interpreted dolerite. Hole 22GSYSRC0027 recorded 4 metres @ 61ppm Cs from 87 metres in an intermediate host and 4 metres @ 170ppm Li and 79ppm Cs from 143 metres in a mafic volcaniclastic.

### Conceptual Target L3

Previously announced results for this target area (refer to ASX announcement dated 15 March 2022) recorded 3 metres @ 128ppm Li from 91m at the end of abandoned hole 22GSYSRC0020. Further anomalous intervals include 8 metres @ 150ppm Li & 51ppm Cs from 59 metres and 8 metres @ 137ppm Li from 75 metres. Hole 22GSYSRC0019 recorded an elevated interval of 12 metres @ 90ppm Li from 33 metres. Due to both holes being abandoned before target depth and the anomalous and elevated lithium and Cs results, this target is considered untested and will be re-drilled during the next follow up RC program.

### Conceptual Target L4

This lower priority target will be tested at a later date during the next follow up RC program.

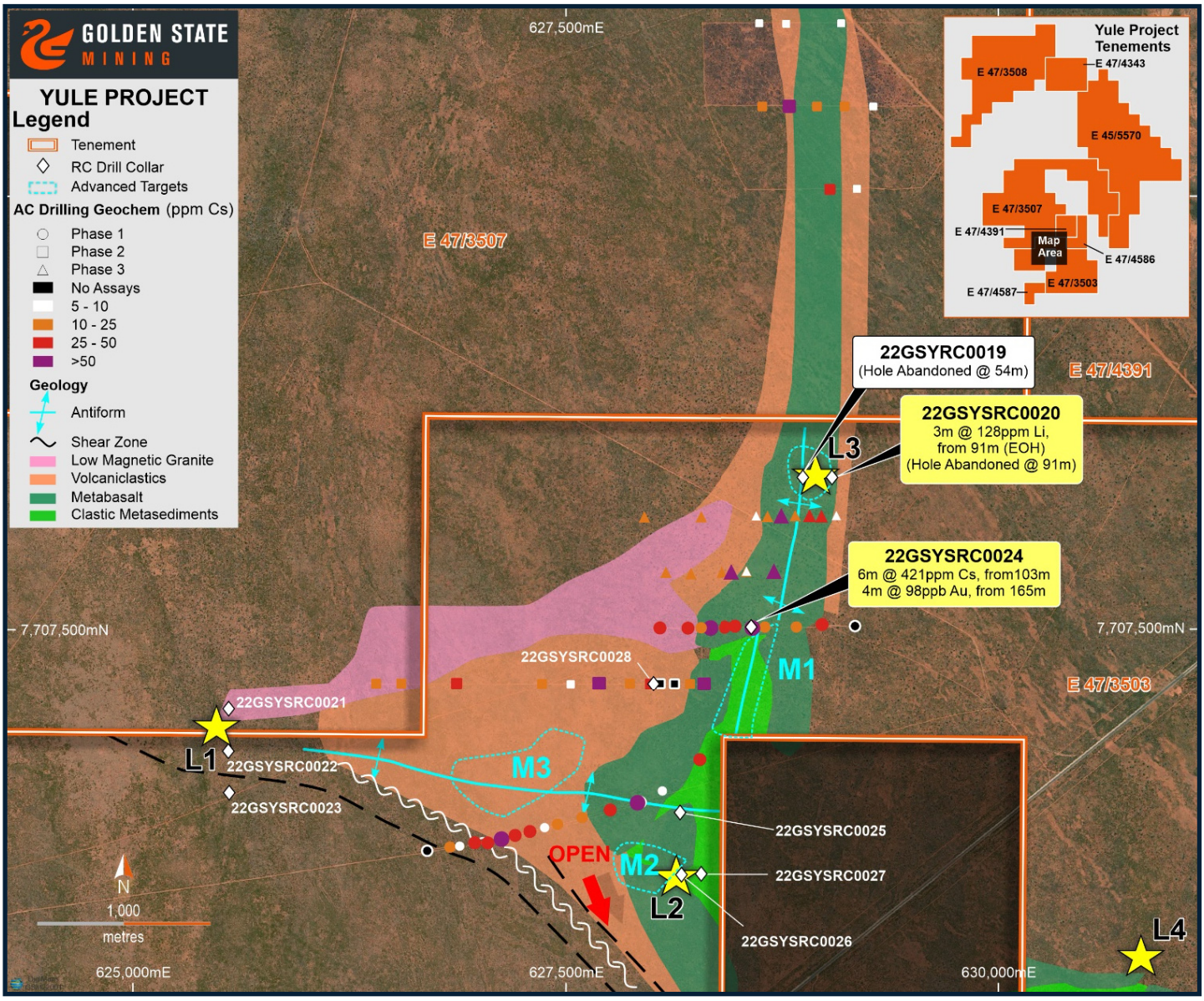


*Figure 2:* Nomad prospect plan showing solid rock & structural interpretation and advanced target areas

**New Lithium Target Areas**

The principal objective of this drill program was to probe conceptual LCT pegmatite target areas in relation to primary geochemical dispersion haloes identified in air-core bedrock anomalies. An updated bedrock and structural interpretation in association with additional geochemical analysis has now identified three advanced target areas (Figure 2). These new targets are based on common areas of overlap in lithium pathfinder element anomalism in combination with favourable structural positions and preferred host lithologies.

**Target M1**

The priority target is based upon the presence of the caesium values in 22GSYSRC0024, as well as its favourable structural position in the core of an interpreted major antiform. Additionally, significant faulting is also associated with this area, making it a 'damaged zone' that can preferentially accommodate later intrusions and serve to focus potentially mineralising crustal fluids.

**Target M2**

This target is based on the overlapping Li-Cs-As anomalism on the western side of the major antiform, close to an interpreted refold hinge zone. It also coincides with a major fault crosscutting the major antiform.

**Target M3**

This target is based on anomalous Li-Rb-Cs intercepts within associated mafic schists across a major curvilinear shear zone to the south and west of the major antiform. This type of geological setting is also considered a conceptual gold target.

Further priority RC and AC programs are now in planning for Nomad to progress this exciting new prospect. Program of work submissions are in place and awaiting statutory approvals.

**References**

Partington, G. A., McNaughton, N. J., & Williams, I. S. (1995). A review of the geology, mineralization, and geochronology of the Greenbushes pegmatite, Western Australia. *Economic Geology*, 90(3), 616-635.

Smith, R. E., Perdrix, J. L., & Davis, J. M. (1987). Dispersion into pisolitic laterite from the Greenbushes mineralized Sn-Ta pegmatite system, Western Australia. *Journal of Geochemical Exploration*, 28(1-3), 251-265.

Wilde, A., Otto, A., & McCracken, S. (2021). Geology of the Goulamina spodumene pegmatite field, Mali. *Ore Geology Reviews*, 134, 104162

Ends.

## For further information please contact:

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# GSM Projects

## Payne's Find

**(E59/2660, E59/2661, E59/2662, E59/2679 & E59/2680)**

**Lithium & base metals**

Four granted exploration licences and a single application (~1300km2) immediately east and 30kms north of Payne's Find township. Region contains known lithium-bearing pegmatites (e.g., Mount Edon & Goodingnow) with a prospective geological setting of multiple "late-stage" intrusive episodes considered favourable for lithium mineralisation. Base metal potential on eastern margin of the Big Bell Suite 30kms east of Tempest Minerals' Orion discovery at the Meleya Project (ASX:TEM).


## Eucla Basin

**(E28/3175 & E28/3176)**

**Copper-Gold & Nickel**

Two exploration licence applications (974km2) approximately 100kms north-east of Balladonia. Untested buried magnetic and gravity anomalies may represent a layered mafic-ultramafic intrusive target in the Albany-Fraser Province (similar age rocks to Nova-Bollinger nickel-copper deposit and Tropicana gold deposit).

## Southern Cross East

**(E77/2896, E77/2897 & E77/2898)**

**Gold**

Three exploration licence applications for a total of 620km2 approximately 60kms north-east of Southern Cross. Buried Archaean rocks with structural setting considered favourable for orogenic gold prospectivity in a long-lived gold mining region.

## Yamarna

**(E38/3671 & E38/3670)**

**Gold-Nickel & PGE**

Two exploration licence applications (661km2) approximately 96kms north-northeast of Laverton. The location is situated on the same crustal suture as the Mt Alexander nickel sulphide discoveries and contains similar host rock potential.

## Ashburton

**(E08/3456 & E08/3469)**

**Lead-Silver & Gold**

Two exploration licence applications for a total of 302km2 approximately 12kms southwest of the Kooline airstrip, 135kms west of Paraburdoo. The tenements are considered prospective for VHMS style mineralisation in sediments proximal to basin bounding faults.

## BOARD OF DIRECTORS

***Michael Moore***
Managing Director

***Damien Kelly***
Non-Executive Chairman

***Brenton Siggs***
Non-Executive Director

***Greg Hancock***
Non-Executive Director

## ISSUED CAPITAL

| | |
|---|---|
| Shares | 117.0 m |
| Options | 15.2 m |

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## FORWARD LOOKING STATEMENTS

As a result of a variety of risks, uncertainties and other factors, actual events, trends and results may differ materially from any forward looking and other statements mentioned or implied herein not purporting to be of historical fact. In certain cases, forward-looking information may be identified by (without limitation) such terms as "anticipates", "believes", “should”, "could", "estimates", “target”, “likely”, “plan”, "expects", "may", “intend”, "shall", "will", or "would". Any statements concerning mining reserves, resources and exploration results may also be forward looking in that they involve estimates based on assumptions. Forward looking statements are based on management’s beliefs, opinions and estimates as of the respective dates they are made. The Company does not assume any obligation to update forward looking statements even where beliefs, opinions and estimates change or should do so given changed circumstances and developments.

## COMPETENT PERSONS STATEMENT

The information in this report that relates to gold exploration results, is based on information compiled by Geoff Willetts who is a Member of the Australian Institute of Geoscientists (AIG). Geoff Willetts is the Exploration Manager, a full-time employee of Golden State Mining Limited (GSM) and holds shares and options in the Company.

Geoff Willetts has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity currently being undertaken to qualify as a Competent Person as defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Geoff Willetts consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Information on previous explorers and historical results are summarised in the Independent Geologist’s Report of the Golden State Mining Limited Prospectus dated 22 August 2018.

The information in this report that relates to lithium exploration results, is based on information compiled by Dr. Marcus Sweetapple who is a Member of the Australian Institute of Geoscientists (AIG). Dr. Marcus Sweetapple is a consultant to Golden State Mining Limited (GSM).

Dr. Marcus Sweetapple has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity currently being undertaken to qualify as a Competent Person as defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Dr. Marcus Sweetapple consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Information on previous explorers and historical results are summarised in the Independent Geologist’s Report of the Golden State Mining Limited Prospectus dated 22 August 2018.

This release was authorised by Mr. Michael Moore, Managing Director of Golden State Mining Limited.

# APPENDIX 1: Yule RC Significant Drilling Results

| HOLE_ID | TYPE | DEPTH | Easting (m) | Northing (m) | RL (m) | Dip | Azimuth | From | Interval | Au ppb | As ppm | Li_ppm | Cs_ppm | Rb_ppm |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 22GSYSRC0020 | RC | 94 | 629,029 | 7,708,376 | 39 | -60 | 270 | 59 | 8 | 3.1 | 250 | **151** | 51 | 68 |
| | | | | | | | | 75 | 8 | 6.5 | 214 | **137** | 46 | 67 |
| | | | | | | | | 91 | 3 | 2.6 | 286 | **128** | 49 | 91 |
| 22GSYSRC0021 | RC | 168 | 625,552 | 7,707,037 | 41 | -60 | 0 | No Significant Result | | | | | | |
| 22GSYSRC0022 | RC | 156 | 625,550 | 7,706,792 | 42 | -60 | 0 | No Significant Result | | | | | | |
| 22GSYSRC0023 | RC | 156 | 625,555 | 7,706,552 | 41 | -60 | 0 | 119 | 4 | 1.3 | 5 | 98 | 9 | **104** |
| 22GSYSRC0024 | RC | 180 | 628,574 | 7,707,510 | 43 | -60 | 270 | 98 | 1 | 10.0 | **7800** | 106 | **51** | **47** |
| | | | | | | | | **103** | **6** | 2.6 | **5290** | 88 | **440** | 73 |
| | | | | | | | | 165 | 4 | **97.5** | 5 | 16 | 6 | 22 |
| 22GSYSRC0025 | RC | 162 | 628,158 | 7,706,438 | 43 | -60 | 330 | 93 | 1 | 2.9 | **10600** | **127** | 17 | 80 |
| | | | | | | | | 95 | 1 | 0.6 | **1920** | **142** | 23 | 59 |
| | | | | | | | | 99 | 1 | 2.8 | **10900** | **140** | 23 | **104** |
| | | | | | | | | 101 | 1 | 2.0 | **3440** | **131** | 16 | 48 |
| | | | | | | | | 103 | 1 | LD | 507 | **147** | 12 | 52 |
| | | | | | | | | 105 | 1 | 1.0 | **5820** | **138** | 14 | 70 |
| | | | | | | | | 158 | 4 | 0.6 | 255 | **137** | 12 | 43 |
| 22GSYSRC0026 | RC | 174 | 628,166 | 7,706,079 | 45 | -60 | 270 | 155 | 4 | 1.5 | **1180** | **154** | **95** | 53 |
| | | | | | | | | 171 | 3 | 5.7 | 637 | 91 | **102** | 40 |
| 22GSYSRC0027 | RC | 174 | 628,280 | 7,706,084 | 43 | -60 | 270 | 87 | 4 | 1.3 | 207 | 76 | **61** | 69 |
| | | | | | | | | 143 | 4 | 1.0 | 622 | **170** | **79** | 66 |
| | | | | | | | | 171 | 3 | 0.6 | 96 | **103** | 28 | 65 |
| 22GSYSRC0028 | RC | 162 | 628,005 | 7,707,185 | 40 | -60 | 90 | 120 | 8 | 2.8 | 489 | 78 | **95** | 59 |
| | | | | | | | | 160 | 2 | LD | 28 | **107** | **148** | 76 |

- Significant Results are Gold assays > 100ppb, Arsenic assay >1000ppm, Lithium assay > 125ppm, Cs assay > 50ppm & Rb assay > 100ppm
- Orange texts are end of hole anomalies
- An accurate dip and strike and the controls on mineralisation are only interpreted and the true width of mineralisation is unknown at this time.
- In reverse circulation (RC) drilling, composite six metre samples were collected in overlying cover, composite four metre samples were collected in bedrock and single metre or 2 metre composites at/near end of hole.
- All gold samples are analysed by 25g charge with ICP-OES finish (1 ppb lower detection limit) Labwest (Perth)
- ppm (parts per million), LD = below detection limit
- Type: RC = Reverse Circulation
- Coordinates are in GDA94, MGAZ50

# JORC CODE, 2012 Edition - Table 1 Report - Yule Project

## SECTION 1: SAMPLING TECHNIQUES AND DATA

| Criteria | JORC Code Explanation | Comments |
|---|---|---|
| *Sampling techniques* | • *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.* | • *The drill sampling reported in this release has been completed reverse circulation (RC) drilling at the Yule Project, Near Port Hedland, Western Australia. The RC program consisted of 10 holes for 1,478m. Hole depth ranged from 52-180m with an average depth of 147.7m. Program work utilised sampling procedures and QAQC protocols in line with industry best practice.*<br>• *RC samples were collected from the rig-mounted cyclone at 1m intervals in plastic bags and arranged in rows of 50m (50 samples). A combination of composite (2-6m) were then collected by PVC spear or aluminium scoop. One (1m) split samples from intervals of geological interest were also collected via the on-board rig splitter to produce a bulk 2-3kg sample. This is standard industry practice for this type of early phase drilling.*<br>• *Mineralisation determined qualitatively by geological logging and quantitatively through assaying.* |
| *Drilling techniques* | • *Drill type (eg core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • *RC drilling reported in this release was completed using both a Hydco RCD300 rig mounted on a Mercedes MAN LE-280B 8 X 8 by Mount Magnet Drilling (Kalgoorlie) using 4½-5½'' (approximately 115-140mm) face sampling hammer and a track-mounted Schramm 685 using a similar hammer by Topdrill (Kalgoolie).* |
| *Drill sample recovery* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • *Drill samples were generally good quality, with negligible contamination and >97% dry. Diligent drilling and ROP (Rate of Penetration) provided good sample recovery. Sample recovery data and sample condition (dry, wet, moist) was recorded at time of drilling.*<br>• *Drilling with care (e.g., clearing hole at start of rod, regular cyclone cleaning) to reduce incidence of wet/moist samples.*<br>• *Insufficient sample population to determine whether relationship exists between sample recovery and grade. The quality of the sample (wet, dry, low recovery) was recorded during logging.* |
| *Logging* | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* | • *Detailed logging of, regolith, lithology, structure, veining, alteration, mineralisation, and recoveries recorded in each hole by qualified geologist.*<br>• *Logging carried out by dry/wet sieving 1m sample cuttings, washing and archival samples collected in plastic chip trays for future reference.* |
| | • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • *Every hole was logged for the entire length.* |

| Criteria | JORC Code Explanation | Comments |
|---|---|---|
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • *No Core*<br>• *Composite (2-6m) and 1m samples were collected by scoop or PVC spear and sampling of 1m intervals directly off rig-mounted splitter into pre-numbered calico bags. Sample weight 2 - 3 kg. Collected samples bags placed in labelled and numbered plastic and/or polyweave bags for despatch to assay laboratory.*<br>• *The sample preparation of the RC samples follows industry best practice, involving oven drying and pulverising to produce a homogenous sub sample for analysis.*<br>• *Field duplicate samples collected as part of QA/QC procedure which also involved the use of certified STANDARD and BLANK samples (supplied by GEOSTATS Pty Ltd, Perth). Standards and blanks were inserted (approximately every 25 samples) and were included in the laboratory analysis. Standards were certified reference material prepared by Geostats Pty Ltd. Duplicate samples were collected at intervals of interest.* |
| *Quality of assay data and laboratory tests* | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | • *Samples were collected for whole hole gold analysis and end of hole microwave digest, HF/multi-acid: 62 elements including*<br>• *REEs by ICP-MS/OES following the Sample Preparation (Code Prep_01) outlined above, Samples were assayed for gold with Lab Code WAR25_Au method. This technique involves a 25g charge for aqua regia digest with ICP-MS finish. This technique is industry standard for gold and considered appropriate.*<br>• *Multi-element Assays were returned for the following elements: Au,Ag,Al,As,Ba,Be,Bi,Ca,Cd,Ce,Co,Cr,Cs,Cu,Dy,Er,Eu,Fe,Ga,Gd,Ge,Hf,Hg,Ho,In,K,La,Li,Lu,Mg,Mn,Mo,Na,Nb,Nd,Ni,P,Pb,Pr,Rb,Re,S,Sb,Sc,Se,Sm,Sn,Sr,Ta,Tb,Te,Th,Ti,Tl,Tm,U,V,W,Y,Yb,Zn and Zr.*<br>• *Gold intercepts calculated with primary Au gold values with Au1 repeat values excluded. Gold intercepts calculated with lower cut of .10 ppb Au, no upper cut, one composite or 1m sample interval (e.g. 1-6m) internal dilution. Other element intercepts were calculated by weighted averaging.*<br>• *Magnetic Susceptibility and conductivity measurements collected via a Terraplus KT-10 metre (SI units).*<br>• *An Olympus Vanta M series portable XRF was used to record readings at selected intervals down the hole. Reading duration was set at 90 seconds and no calibration factors were applied. Quality control process and internal laboratory checks demonstrate acceptable levels of accuracy. At the laboratory, regular assay repeats, lab standards, checks and blanks were analysed.* |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • *The results have been reviewed and verified by qualified and experienced company personnel.*<br>• *No holes were twinned.*<br>• *Capture of field logging is electronic using a Toughbook. Logged data is then exported as excel spreadsheets to the Company's database manager which is then loaded to the Company's database and validation checks completed to ensure data accuracy. Assay files (csv, pdf) are received electronically from the laboratory.*<br>• *There has been no adjustment to the assay data. The primary gold (Au) field reported by the laboratory is the priority value used for plotting, interrogating, and reporting.* |

| Criteria | JORC Code Explanation | Comments |
|---|---|---|
| *Location of data points* | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • *Drill hole positions were surveyed using a hand- held Garmin GPS64s with a horizontal (Easting/ Northing) accuracy of +-5m. Drill location is managed by the supervising geologist.*<br>• *Grid System – MGA94 Zone 50.*<br>• *Topographic elevation captured by using reading from Garmin handheld GPS with an accuracy of+- 5m and considered suitable for the flat terrain of the project area.* |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | • *Hole spacing on selective drill lines (selective grid orientations - refer Hole Collar table) to follow up anomalous gold results from AC drilling*<br>• *RC sample batch included both 1m split samples and composite samples (Range 2-6m). No assay compositing has been applied* |
| *Orientation of data in relation to geological structure* | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • *The selective drill-hole orientations considered effective for follow up drilling to assess interpreted structures or targets.*<br>• *The orientation of structures is not known with certainty, but drilling was conducted using appropriate orientations for interpreted structures.*<br>• *Bias introduced by drill orientation with respect to structures is not known.* |
| *Sample security* | • *The measures taken to ensure sample security.* | • *Samples were bagged up in labelled and numbered polyweave bags and trucked to the laboratory in Perth by a reputable freight company. Samples were then sorted and checked for inconsistencies against lodged Submission sheet by laboratory staff.*<br>• *Following analysis, the sample pulps and residues are retained by the laboratory in a secure storage yard.* |
| *Audits or reviews* | • *The results of any audits or reviews of sampling techniques and data.* | • *All sampling and analytical results of the drill program were reviewed by the Exploration Manager and technical director. Anomalous.*<br>*gold intersections were checked against library chip trays to correlate with geology. No specific audits or reviews have been*<br>• *conducted.* |

## SECTION 2: REPORTING OF EXPLORATION RESULTS

| Criteria | JORC Code Explanation | Comments |
|---|---|---|
| *Mineral tenement and land tenure status* | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | • *The Yule Project is located approximately 45km south-west of Port Hedland, Western Australia and consists of six granted exploration licences (E47/3503,3507,3508,4343,4391 & E45/5570) and two exploration license applications (E47/ 4586 & 4587 covering approximately 990.5 square kilometres.*<br>• *The tenement holder is Crown Mining Pty Ltd., a wholly owned subsidiary of Golden State Mining Ltd.*<br>• *The granted tenements are in good standing* |
| *Exploration done by other parties* | • *Acknowledgment and appraisal of exploration by other parties.* | • *For details of relevant previous exploration completed by other parties at the Yule Project, refer to the Independent Geologists Report ('IGR') included in the Golden State Mining Ltd prospectus (2018).* |

| Criteria | JORC Code Explanation | Comments |
|---|---|---|
| *Geology* | • *Deposit type, geological setting and style of mineralisation.* | • *As drillhole exploration on the project is in its infancy, deposit style is unknown at this stage and style of mineralisation is not well understood. Geological setting is Archaean sedimentary basin packages intruded by granitoid* |
| *Drill hole Information* | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>  • *easting and northing of the drill hole collar*<br>  • *elevation or RL (Reduced Level. - elevation above*<br>  • *sea level in metres) of the drill hole collar*<br>  • *dip and azimuth of the hole*<br>  • *down hole length and interception depth*<br>  • *hole length.*<br>• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | • *See Appendix 1 for drillhole details and significant intercepts* |
| *Data aggregation methods* | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • *No top-cuts have been applied when reporting results.*<br>• *First assay from the interval in question is reported (i.e. Au1).*<br>• *No Aggregate sample assays are reported.*<br>• *Significant grade intervals based on intercepts > 100ppb gold.*<br>• *No metal equivalent values have been used for reporting of results.* |
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').* | • *Mineralisation orientations have not been determined* |
| *Diagrams* | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | • *Appropriate summary diagrams are included in the announcement* |
| *Balanced reporting* | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • *All drillhole locations are reported and a table of significant intervals is provided in Appendix 1* |
| *Other substantive exploration data* | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | • *Other exploration data considered relevant for the Yule South Project has been included in the Golden State Mining prospectus (2018)* |
| *Further work* | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large- scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • *Collection of 1m sample intervals within anomalous 4m composite samples and review of results thereafter to plan follow up exploration work.* |